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SUBJECT: PORTUGUESE PRIME MINISTER ANNOUNCES NEW CABINET

REF: A. 05 LISBON 322
[1](#)B. 05 LISBON 314
[1](#)C. LISBON 529

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[1](#)1. Summary: In the wake of September 27 Portuguese elections, PM Socrates announced his new cabinet on October 22, naming seven new ministers, including five independents and four women for a total of nine independents and five women in his 16-member cabinet. The cabinet will take office on October 26, and the new government will have until January 26 to present its 2010 budget to Parliament. Foreign Minister Amado, Defense Minister Santos Silva, and Finance Minister Teixeira dos Santos will provide continuity and experience in key ministries; we do not foresee any significant shift in policies or interests regarding the U.S., EU, or NATO. End Summary.

[1](#)2. On October 22, PM Socrates announced his new cabinet with seven new ministers. Six ministers will continue in their positions: Foreign Minister Luis Amado, Finance Minister Fernando Teixeira dos Santos, Interior Minister Rui Pereira, Science, Technology and Higher Education Minister Mariano Gago, Health Minister Ana Jorge, and Minister of the Ministerial Council Pedro Silva Pereira. Two ministers have been assigned new portfolios: former Minister for Parliamentary Affairs Augusto Santos Silva was appointed Defense Minister, while former Labor Minister Jose Vieira da Silva was appointed Minister of Economy. Lastly, former State Secretary for the Presidency of the Council of Ministers Jorge Lacao was named Minister of Parliamentary Affairs. Below are the biographies of the seven new cabinet members along with the challenges they face. (Biographies of returning ministers were reported in refs A and B.)

[1](#)3. Justice Minister (Socialist): Alberto Martins, 64, was most recently head of the Socialist parliamentary caucus. He was elected deputy in 1987 and shortly thereafter joined the Socialist Party. He served as Minister of Public Administration under PM Antonio Guterres. Part of the most left-wing faction of the Socialist Party, Martins supported Manuel Alegre for PS leadership against Socrates in September [1](#)2004. Martins was born on April 25, 1946 in Guimaraes. His family was involved in the textile industry. He earned his law degree from the University of Coimbra in 1969. The greatest challenge facing Martins will be restoring credibility to one of the most polemic ministries in the last administration and re-visiting controversial reforms to the Penal Code, which was revised in September 2007. A major challenge for the next four years will be implementing the reforms initiated by his predecessor Alberto Costa.

[1](#)4. Public Works Minister (Independent): Antonio Mendonca, 55, has a strong business administration background, having served two terms as Chairman of the Board of the School of Economics and Management (ISEG) of the Technical University of Lisbon. Following the end of his term two weeks ago,

Mendonca returned to his former position as professor of international economics at ISEG. He recently signed a petition in support of the controversial new Lisbon airport project and the Lisbon-Madrid high-speed rail link. Like his predecessor Mario Lino, Mendonca was a member of the Communist Party in his youth. After abandoning the party in the early 1990s, he began working independently with successive Socialist governments. Mendonca has a Ph.D. in economics from Paris. His primary challenge will be gathering consensus among the opposition for public infrastructure projects which may prove to be difficult given the opposition Social Democratic Party's resistance to such projects and concern over the public debt.

15. Environment Minister (Independent): Dulce Passaro, 56, served as a technical expert in the Ministry of Environment focusing primarily on waste management. Until 1997, she worked in the Ministry's Waste Management and Recycling Bureau. Among her areas of responsibility was closing down landfills. When Socrates became Minister of the Environment in 1999, he named Passaro chairman of the government's Institute for Waste Management (2000 - 2003). From 2003 to the present, she served as board member of the Water and Waste Management Regulatory Agency. Passaro has a degree in chemical engineering. In 1999, she participated in the International Visitors Leadership Program on European Environmental Protection in the U.S. The biggest challenge for her will be continued implementation of Portugal's climate change policy, which will require meeting ever-demanding international commitments and balancing environmental priorities with the competing interests of other ministries.

16. Education Minister (Independent): Isabel Alcada, 59, developed the Socialist Party's education policy for the

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recent legislative electoral campaign. Since 2006, she has been the coordinator of the National Reading Plan, which has been successful in raising the reading level of primary and secondary school students throughout the country. Alcada, a history and Portuguese language professor, earned a B.A. in philosophy from Lisbon University and a M.A. in educational sciences from Boston University (1982-83). She is co-author of a popular series of adventure books for teenagers and a well-known trainer of teachers throughout the country. Alcada is married to Rui Vilar, president of the Gulbenkian Foundation. Her biggest challenge will be making peace with Portugal's 150,000 public school teachers who opposed Socrates' educational sector reform (ref C). Her chances of success will depend on the government's willingness to re-visit sensitive issues such as performance evaluation and promotion of teachers.

17. Agriculture Minister (Independent): Antonio Serrano, 44, is one of the relative unknowns of the new cabinet. He served as a member of the Alentejo Regional Operational Program and as Chairman of the Board of Espirito Santo Hospital in Evora. As Chairman, he launched the construction of a new hospital center and inaugurated a radiology unit, projects that had been stalled for decades. Serrano is a professor at Evora University. He has a Ph.D. in business administration, and no prior political experience. He served only in a technical position in the Agro-Policy Planning Office in the Ministry of Agriculture. Serrano has the difficult job of pacifying a sector that has been rife with workers' protests. He also faces the Herculean task in a time of budget constraint of increasing the Ministry's budget to enable the GOP to make its mandatory 25-percent contribution to the EU agricultural program, or see Portugal lose its EU agricultural funds in 2010. The influential Portuguese Agricultural Confederation said it would be a "test of fire" for the new minister and promised its support.

18. Labor and Social Security Minister (Socialist): Helena

Andre, 48, has long been active in the Portuguese labor movement. Since 1981, Andre has been affiliated with the Portuguese General Workers Union (UGT), first representing the UGT in Brussels and later becoming Deputy Secretary General of the European Trade Union Confederation (ETUC). It is widely believed that she would have been appointed ETUC Secretary General in 2011. Together with her predecessor at Labor, Vieira da Silva, she drew up the Socialist Party's labor platform for the recent parliamentary elections. Andre's primary challenge will be addressing the high rate of unemployment and proving her negotiation skills with both labor unions and employers to ensure mutually beneficial results. Andre has a degree in modern languages and literature from Lisbon University.

¶9. Culture Minister (Independent): Maria Gabriela Canavilhas, 48, served as head of the Lisbon Metropolitan Orchestra (2003 - 2008), where she carried out a major restructuring program. Since November 2008, she has been the Regional Director for Culture in the Azores. Her greatest challenge, like all Culture Ministers before her, will be attaining the mythical goal of one percent of the government budget for her ministry. Historically the weakest and poorest of the ministries, Culture has suffered from a very tight budget. Canavilhas has a degree in musical sciences from New Lisbon University and an extensive musical background as a concert pianist who has recorded seven CDs and performed around the world. She is a member of the Board of Trustees of the Luso-American Development Foundation (FLAD), and a close contact of the American Consulate in the Azores. Born in Angola to Azorean parents, Canavilhas grew up in the Azores and currently resides in Lisbon.

¶10. Comment: The new government faces numerous challenges as a minority government. This new cabinet promises continuity and experience, along with new energy, to overcome those challenges and advance its agenda. With the continuation of experienced politicians in key ministries, Portugal's relations with the U.S., as well as its relations with the EU and NATO, will not significantly change over the next four years.

¶11. Post will report further on the new cabinet and the upcoming budget debate.

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<http://www.intelink.sgov.gov/wiki/portal:portugal>
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